

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: CITY OF MANILLA, MUNICIPAL GAS DEPARTMENT	DOCKET NO. SPU-01-16
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**ORDER INITIATING DISCONTINUANCE OF NATURAL GAS SERVICE
PROCEEDING**

(Issued October 25, 2001)

On October 9, 2001, Howard Ahrenholtz, Randy Ahrenholtz, Art Joens, Jay Miller, Terry Schechinger, and Marvin Vennink (Complainants) filed a letter with the Utilities Board (Board) requesting an investigation into the discontinuance of natural gas service by the City of Manilla, Municipal Gas Department (Manilla), to Complainants' properties. The filing has been identified as Docket No. SPU-01-16. Complainants allege Manilla originally constructed the 13,000-foot natural gas pipeline in the 1960's, and that Complainants' properties were connected to the pipeline for natural gas service. Complainants allege that Manilla has subsequently operated, maintained, and metered the gas pipeline and provided service to Complainants.

Complainants allege that in August 2001 the natural gas pipeline was severed and Manilla determined that the pipeline was unsafe for the transportation of natural gas and did not repair the pipeline, thereby discontinuing service. Complainants allege that after subsequent negotiations, Manilla has decided not to construct a new

pipeline or provide natural gas service to their properties. Complainants allege that this action by Manilla violates Iowa Code § 476.20 (2001). Complainants request that the Board investigate this matter.

Iowa Code § 476.20 provides in pertinent part that a utility shall not discontinue service to a community or part of a community unless and until permission to do so is obtained from the Board. Section 476.20 is applicable to municipal utilities pursuant to Iowa Code § 476.1B"e." The allegations in the letter, if found to be true, would require Manilla to obtain the Board's permission before it could permanently discontinue service to Complainants.

The Board through its informal complaint process has notified Manilla of the allegations in the letter and has requested a response to those allegations by October 31, 2001. The Board is docketing this matter to allow for expedited consideration concerning whether Manilla is in violation of § 476.20 and, if so, what action should be taken by the Board. By this order the Board will formally direct Manilla to respond to the allegations in the letter by October 31, 2001, and to make whatever additional filings it deems necessary. If Manila intends to permanently discontinue service to these customers, it must make the application required in 199 IAC 7.12(2). The Board will then determine what further action is necessary.

IT IS THEREFORE ORDERED:

1. The letter filed by Howard Ahrenholtz, Randy Ahrenholtz, Art Joens, Jay Miller, Terry Schechinger, and Marvin Vennink on October 9, 2001, is docketed

for investigation in a discontinuance of service proceeding under Iowa Code § 476.20(1).

2. The City of Manilla, Municipal Gas Department, shall file a response to the allegations in the letter on or before October 31, 2001.

UTILITIES BOARD

/s/ Allan T. Thoms

/s/ Diane Munns

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

/s/ Mark O. Lambert

Dated at Des Moines, Iowa, this 25th day of October, 2001.